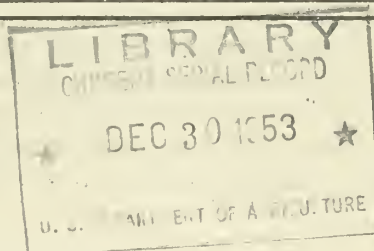


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Foreign CROPS AND MARKETS



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CASTOR BEANS (Page 455)

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UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE
WASHINGTON 25, D.C.

L A T E N E W S

The Council of Ministers of Egypt approved (on December 2) a request from the Ministry of Finance that the Egyptian Cotton Commission continue to buy and sell cotton from the 1954 crop with no major changes from present policies and methods. This also means that there is no present plan to reopen the Alexandria Futures Market. It was pointed out that it would be a risk to reopen the Futures Market this season in view of the short supply of Ashmouni and Zagora cotton. Two other prerequisites cited that must be ensured before reopening of the Futures Market are: (a) "equilibrium between cotton prices inside and outside Egypt in order to render monopoly transactions or manipulation of prices impossible" and (b) "ease in conversion of currency between the Alexandria market and other markets in order to carry out balance transactions."

It has been reported that the Government of South Africa has lifted the ban on imports of hog casings originating from the United States. United States pork, pork products and offal were barred by South Africa in July, 1953 because of the existence of the hog disease, vesicular exanthema in the United States. The disease is now on the wane and as disease control officials believe that casings are not carriers of the virus and that this trade can be resumed without danger of communicating the disease.

FOREIGN CROPS AND MARKETS

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DATE PRODUCTION IN
THE MIDDLE EAST DOWN

The 1953 date crop in Iran and Iraq is estimated at 437,500 short tons compared with 542,900 short tons in 1952 and 521,900 short tons in 1951. This preliminary estimate is 13 percent less than the 5-year (1946-50) average of 501,440 tons.

The crop in Iran (137,500) is equal to the average production of the past 5 years and is considered normal. It is lower than last year's crop chiefly because of the alteration in high and low production peculiar to the crop. In Iraq the size of the crop (300,000 tons) was influenced by a number of factors including fungus, premature falling of dates and an infestation of red spiders. However, the weather was favorable during the ripening season and the individual dates appear larger and better in quality than usual. Despite the overall shortage in the Basra area of Iraq, production of Hallawi dates will be much above normal. This is the choicest variety and the type shipped to the United States and Canadian markets.

Iranian stocks of dried dates were negligible at the end of the 1952-53 season and stocks on hand in Iraq were scattered and probably amounted to only a few thousand tons.

It is now believed that a total of 33,000 short tons of dried dates were exported from Iran during the 1952 season, almost 85 percent of which were shipped during the first 7 months of the crop year. Trade sources expect that an equal amount will be shipped in 1953-54 despite the small size of the crop. The estimate of this year's trade is an expression of the pressure that probably will be made on exports because of the fiscal position of the country.

The trade of Iraq reports almost 290,000 short tons of dates exported through the port of Basra during the 1952-53 season. While the exportable surplus during the current season probably will not exceed 200,000 tons, the decrease in exports will be partially offset by a reported decline in the world demand for basket-packed dates. Pakistan, which last year imported more than 23,000 tons of basket dates from Iraq will not import a single ton this year. Other markets have also been reduced.

Exports of boxed dates are expected to total almost 50,000 short tons this season, according to agreements reached in London in April 1953 between the Iraq Dates Trading Company, the Date Association and foreign buyers. Of this total, about 18,800 tons were for the United States, 18,800 tons for the United Kingdom and Europe, 5,500 tons for Canada and 5,600 tons for the Union of South Africa, Australia and New Zealand.

DATES: Estimated production in Iraq and Iran, 1953 with comparisons.
(Rounded to nearest 100 short tons)

Year	Iraq	Iran	Total
Average:			
1946-50	377,800	123,640	501,440
Annual			
1946	352,000	100,100	452,100
1947	424,600	121,000	545,600
1948	353,900	110,000	463,900
1949	258,000	135,300	393,300
1950	500,500	151,800	652,300
1951	385,000	136,600	521,600
1952	390,000	152,900	542,900
1953 <u>1/</u>	300,000	137,500	437,500

1/ Preliminary

Source: Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, results of office research, Trade and other information.

By the end of October more than 20,000 tons of boxed and pitted Hallawi, Khadrawi and Sayir dates had been exported. The balance of the tonnage set by the agreement was reported either in the process of being loaded on ships or in the latter stages of being packed in boxes as of the middle of November.

This year all exports under the London agreement are to be handled through the firm of Andrew Weir, Ltd. The prices paid by Weir for Basra dates have been set at the same figures as in the past 3 seasons. Inclusive of delivery to packing stations, these prices are as follows:

Type of date	Price per short tons
	United States dollars
Hallawi	110.24
Khadrawi	110.24
Sayir	90.19
Basra zahdi	90.19

Prices paid for central area zahdi dates delivered at Baghdad are subject to fluctuation. The table below contains an outline of prices during 1953: (No quotations were recorded from April through September)

Type of Packing	Price per short ton			
	Jan. 31	Feb. 28	Mar. 31	Late Oct.
	US dollar	US dollar	US dollar	US dollar
Loose (in bulk)	\$29.85	\$29.21	\$30.48	\$23.50
In baskets	30.48	30.48	31.75	29.21
In gunny bags	31.75	35.56	33.02	33.02

A 12½ percent consumption tax is levied on dates which are exported. In addition, the Date Association charges a special 2 percent tax on date exports. The standard export duty, usually 5 percent in recent year, was abolished in May 1953.--By Francis G. Thomason, based in part upon U.S. Foreign Service reports.

WORLD CASTOR BEAN PRODUCTION CONTINUES HIGH 1/

World production of castor beans in 1953 is expected to be virtually equal to the record 547,000 tons produced in 1948. The preliminary estimate of the Foreign Agricultural Service places the crop at 546,000 short tons, an 8 percent increase from 1952, now revised to 506,000 tons. Moreover, it is 15 percent above the prewar average output and 11 percent above the immediate postwar average.

The estimated expansion of 40,000 tons from 1952 took place in the 3 major producing countries of the free world, Brazil, India, and the United States, and in the Union of South Africa, normally a minor producing country. No allowance has been made for any increase in the Soviet Union, which probably ranks third as a world producer, or for Manchuria, which may hold fourth place.

Roughly 60 to 70 percent of the estimated world production of castor beans originates in Brazil and India. On the basis of reported statistics, Brazil is the major producer. However, the production reported for India's major-producing states covers only castor beans grown alone and not the considerable acreage sown mixed with other crops. Reliable data are not available for this interplanted portion. On the basis of the estimated quantity of castor oil produced, it is believed that total Indian production of castor beans actually may be twice the volume of the reported pure crop. This quantity of production would place India first as a producer and Brazil second.

1/ A more extensive statement soon will be published as a Foreign Agriculture Circular by the Foreign Agricultural Service, U.S. Department of Agriculture, Washington 25, D. C.

CASTOR BEANS: Production in specified countries and the world,
averages 1935-39 and 1945-49, annual 1950-1953

(Short tons)

Continent and country	Average		1950	1951	1952 1/	1953 1/
	1935-39	1945-49				
NORTH AMERICA						
Mexico.....	2,770:	3,195:	2,790:	2,850:	2,920:	3,860
United States 2/.....	-	-	-	10,425:	12,300:	28,000
Haiti.....	3/ 700:	2,585:	3,640:	5,080:	4,590:	4,500
Estimated total 4/.....	3,705:	6,340:	6,980:	18,925:	20,380:	36,930
EUROPE						
Italy.....	3/ 3,790:	2,930:	875:	700:	620:	-
Yugoslavia.....	490:3/	1,740:	1,490:	2,200:	1,800:	-
Estimated total.....	4,280:	4,670:	2,365:	2,900:	2,420:	2,600
Other Europe, estimated total.....	2,885:	1,955:	2,240:	3,310:	2,240:	3,310
All Europe (excl. U.S.S.R.), estimated total 4/.....	7,165:	6,625:	4,605:	6,210:	4,660:	5,910
U.S.S.R. (Europe and Asia).....	117,745:5/	55,110:	-	-	-	-
ASIA						
Iran.....	16/ 180:	6,500:	8,270:	8,270:	8,270:	-
Manchuria.....	3/ 26,600:	-	-	-	-	-
India 7/8/.....	127,456:	133,728:	143,360:	116,480:	117,600:	119,840
Indochina.....	3/ 5,510:3/	295:	-	-	-	-
Korea 9/.....	3/ 1,425:3/	2,215:	1,130:	1,300:	1,160:	-
Pakistan 7/.....	- 3/	300:	560:	-	-	-
Thailand.....	- 3/	550:	300:	1,200:	2,420:	-
Estimated total (excl. U.S.S.R.) 4/.....	170,780:	176,135:	185,195:	159,410:	161,560:	163,500
SOUTH AMERICA						
Argentina.....	8,800:	3,265:	4,935:	2,800:	1,100:	-
Brazil.....	147,995:	207,180:	202,820:	195,100:	174,160:	188,490
Colombia.....	3/ 785:10/	5,130:	-	-	-	-
Ecuador.....	3/6/ 29:	2,800:	7,100:	8,365:	10,900:	-
Paraguay.....	3/ 3,275:3/	1,065:	1,100:	990:	-	-
Estimated total 4/.....	160,885:	219,690:	220,155:	211,455:	191,260:	203,590
AFRICA						
Belgian Congo 11/.....	3/ 8:3/	2,335:	2,200:	2,800:	3,130:	-
Tanganyika.....	3/6/ 9:	945:	1,985:	4,515:	8,100:	5,890
French West Africa.....	6/ 1,194:3/	2,010:12/	1,000:12/	900:12/	930:13/	800
Madagascar.....	3,440:	4,370:	3,300:	2,755:	2,755:	-
Mozambique.....	11/ 1,750:3/	3,140:11/	4,863:11/	2,596:11/	5,313:	-
Angola.....	6/ 4,614:6/	5,063:	14/ 450:	5,178:5/	5,768:	-
Union of South Africa.....	-	-	450:	4,000:	7,500:	20,000
Estimated total 4/.....	12,815:	26,950:	35,795:	43,330:	47,755:	56,070
Estimated world total.....	473,095:	490,850:	517,730:	519,330:	505,615:	546,000

1/ Preliminary. 2/ For the years shown, no commercial production other than for seed except in 1951, 1952 and 1953. 3/ Average of less than 5 years. 4/ Includes estimates for the above countries for which data are not available and for minor producing countries. 5/ 1948 only. 6/ Exports of castor beans; production figures not available. 7/ Prior to 1945 figures for India include Pakistan. 8/ Estimates for the pure crop only; reliable data for the interplanted crop not available. 9/ Beginning with 1947 figures are for South Korea only. 10/ 1946 only. 11/ Exports of beans and oil in terms of beans; production figures not available. 12/ Commercial production. 13/ Marketed to the end of August. 14/ Exports amounted to 14,019 tons but represented a carryover from previous crops rather than a larger crop.

United States Department of Agriculture, Foreign Agricultural Service, Fats and Oils Division. Prepared or estimated on the basis of official statistics of foreign governments, reports of United States Foreign Service officers, results of office research, or other information.

Production of the pure crop of castor beans in India is placed at 119,840 tons. This represents a slight (2 percent) increase from 1952 but is 6 percent less than prewar and 10 percent less than the 1945-49 average. Castor oil production from the 1953 crop has been estimated roughly at 90,000 tons. This would indicate that total bean production probably was around 200,000 tons.

India's 1954 castor harvest will begin in January. Because of pest infestation, replanting became necessary in some areas of Hyderabad State, which accounts for about 50 percent of the annual output. On balance, trade sources predict an increase in total Indian output of 5 to 10 percent.

The preliminary official estimate of Brazil's 1953 castor harvest is 188,500 tons, and 8 percent increase from the final estimate of the 1952 crop. Also, it is over one-fourth larger than the prewar average but roughly 10 percent less than the postwar average. The castor-bean harvest depends to a considerable degree on prices at harvest time, as much of the crop comes from uncultivated plants. World prices of castor beans have been declining since 1951, but exchange concessions for castor oil exports during 1953 have tended to stabilize the cruzeiro prices of castor oil. However, the large exchange concessions to castor oil and not to castor beans tended to price Brazilian castor beans out of the world market. (See Foreign Agriculture Circular FFO 26-53, "Brazilian Oilseed Production Shows Marked Decline", November 30, 1953.)

The United States expects from 25,000 to 30,000 tons of castor beans from a planted area of around 150,000 acres and a harvested area of 145,000 to 147,000 acres. This would be considerably more than double the 1952 output of an estimated 12,300 tons harvested from 97,600 acres.

There is a growing interest in the production of castor beans in South Africa with the result that acreage has expanded sharply. Yields have not been generally favorable but with the larger acreage, production may reach 20,000 tons or more. Production in 1952 amounted to 7,500 tons.

PHILIPPINE COPRA EXPORTS DROP IN NOVEMBER

Philippine copra exports during November 1953 totaled 59,123 long tons, a decline of 18 percent from the previous month, but 12 percent greater than shipments during November 1952. Total shipments during January-November 1953 amounted to 538,315 tons against 598,130 tons in the comparable period of 1952.

The breakdown of the November 1953 copra exports by country of destination is as follows: United States--30,511 tons (Pacific-18,617, Atlantic-4,981, Gulf-6,913); Canada--1,500; Belgium--1,500; Denmark--1,500; Germany--2,500; Italy--2,500; the Netherlands--11,700; Norway--3,500; Europe unspecified--1,000; Lebanon--400; Colombia--1,512; and Venezuela--1,000 tons.

November exports of coconut oil totaled 8,335 tons, an increase of 30 percent from October this year and 50 percent from October 1952. January-November exports amounted to 53,744 tons against 75,551 tons in 1952. The entire November shipments of oil came to the United States (Atlantic).

On a copra equivalent basis, exports of copra and coconut oil through November totaled 623,600 tons or 13 percent less than the 718,050 tons exported in the same months of 1952.

The copra export price in mid-November was \$214 per short ton, c.i.f. Pacific. Local buying prices in Manila were quoted at 36 to 42 pesos per 100 kilograms (\$182.89 to \$213.37 per long ton).

MARKETING PROBLEM FOR SESAME SEED IN NICARAGUA AND EL SALVADOR

According to U.S. Foreign Service reports from Managua, a situation has arisen in the production and marketing of sesame seed in Nicaragua and El Salvador which may well affect the prices paid for sesame by United States importers in 1954.

In recent years Venezuela has imported substantial quantities of sesame seed, and its principal source of supply has been Nicaragua and El Salvador. Since 1951, however, the prices offered by Venezuelan importers have declined and last year were so low as to discourage the sowing of this crop in both producing countries. Accordingly, the production of sesame seed in Nicaragua, for example, dropped from an estimated 19,000 short tons in 1951 to 14,500 tons in 1952, and the 1953 crop is now forecast at approximately 8,000 tons. Production in El Salvador has followed a similar decreasing trend.

In addition to its shipments to Venezuela, Nicaragua usually exports some sesame seed, mostly hulled, to the United States. In 1952 such exports amounted to about 4,400 tons and in 1953 probably will be about 2,200 tons.

The best informed dealers in Nicaragua and El Salvador are convinced that as a result of the drop in production, the quantity of sesame available from the current crop in these two countries is well below the normal requirements of Venezuela. Nevertheless, Venezuelan importers have so far refused to take offers of sales at the current price. Purchases to cover local needs are now being made on a small scale at more than nine cents per pound. This corresponds to an export CIF price to Venezuela of about \$250 per metric ton (\$227 per short ton).

It may be that Venezuelan importers are not convinced that sesame production in Nicaragua and El Salvador this year is small. A strong possibility exists that when they become aware of this fact they will bid up prices and provoke a sharp rise, as occurred once several years ago when export availabilities in this area were reduced. Such a rise would be reflected in prices paid by United States importers for sesame seed.

TUNISIA EXPECTS NEAR-RECORD
OLIVE OIL OUTPUT

Tunisia's olive oil production from the 1953 olive crop is expected to approximate 90,000 short tons, according to M. E. Jeneid, American Consulate General, Tunis. An earlier official estimate had placed the outturn at 80,000 tons. This volume of production would sharply contrast last year's small output of 38,600 tons and would be the second largest of record. Oil from the 1949 crop amounted to 115,700 tons.

Tunisia appears to have ended the 1952-53 season with just enough oil to meet domestic needs. An unofficial source placed visible commercialized quantities on October 18 at about 1,760 tons, or just over half the 2,750 tons needed monthly for domestic consumption. Since oil pressing operations already had started at the beginning of November, there is no supply problem.

Exports during the first 9 months of 1953 amounted to 4,821 tons of edible oil shipped largely to France and 827 tons of olive foots oil, largely to Italy. Low shipments resulted from 3 consecutive years of average oil yields. In the calendar year 1950 - following the record yield from the 1949 crop - shipments totaled 81,471 tons. In 1951 and 1952 exports were 16,535 and 18,082 tons, respectively.

Imports of vegetable oils during the first 9 months of 1953 totaled 1,775 tons against 281 in 1952 and 1,742 tons in 1951. There were no imports of olive oil.

Following a short-lived rise in olive oil prices on September 21, caused by the shipment of 830 tons to the United States, prices had begun to fall by the end of October and declined steadily until early December when some recovery occurred, particularly for spot 1 degree oil. Oil of 1 degree acidity, which was quoted at 147 francs per kilogram (19.1 cents per pound) on December 2 had risen to 153 - 160 francs (20.5 - 20.7 cents) on December 7 at Sfax.

It is difficult to predict how the price situation will develop. Much will depend on the capacity of France--and to a lesser degree Italy--to absorb part of the export surplus. If the price of oil is stabilized at the December 7 level, there is every indication that the surplus will be disposed of without great difficulty.

As regards production prospects, olive oil is the only Tunisian staple food with an output that keeps pace with population growth. The number of olive trees has increased from 13 million in full production in 1937 to well over 19 million, and planting continues. After the exceptional rains of 1953, the olive groves are in such good condition that this year's large yield may be followed by an even larger one next year.

CHINESE SOYBEAN MOVEMENT THROUGH SUEZ CANAL DOWN SHARPLY IN THIRD QUARTER

The Suez Canal northbound movement of Chinese soybeans in the July-September quarter of 1953 of 25,350 short tons (845,000 bushels) represents a sharp drop from shipments of 134,480 tons (4,482,700 bushels) during the preceding 3-month period, according to information available to the Foreign Agricultural Service. The decline, however, is somewhat comparable to the 1952 movement when shipments dropped from 144,400 tons in the second quarter to none in the third quarter. The accumulative movement of soybeans through the Canal during January-September 1953 was 335,100 tons (11,170,000 bushels). This total is 69 percent greater than in the corresponding period of 1952 but 37 percent less than in 9 months 1951.

EGYPTIAN COTTON COMMISSION'S PRICES FOR NEW COTTON VARIETIES

Following the appearance in this year's cotton market (in commercial quantities) of new varieties of Giza cotton, the Egyptian Cotton Commission has requested and the Ministry of Finance has approved (November 14) the following scale of purchase and selling prices based on the relationship between the spinning tests of the new varieties and those of comparable established varieties:

<u>New variety</u>	<u>As bought:</u>	<u>As sold:</u>
Giza 34	On par with Giza 31	On par with Giza 30
Giza 50	1 tallari discount on Ashmouni	On par with Ashmouni
Giza 51	On par with Giza 30	On par with Menoufi
Giza 56	On par with Menoufi	On par with Menoufi
Giza 58	On par with Giza 30	On par with Giza 30
Giza 60	On par with Ashmouni	On par with Giza 41 (1)

(1) Or 1 tallari per kantar (0.58 cent a pound) above Ashmouni.

NORWAY TO IMPORT U.S. FATBACK

The Norwegian Ministry of Agriculture in late November authorized the importation of about 775,000 pounds of fatback from the United States. This action was taken to relieve the critical shortage of pork and pork products in Norway particularly during the Christmas season. Normally very little United States pork products go into this market.

The United States normally imports small quantities of cured and canned meats from Norway and in recent months a small specialty trade in reindeer meat from Norway has been developed.

CANADIAN DAIRY SITUATION IMPROVES

There are excessive stocks of butter in Canada, but the dairy situation has improved substantially during the past 3 months, according to Paul O. Nyhus, Agricultural Attache, American Embassy, Ottawa. The recent sale and shipment to the United Kingdom of 10 million pounds of cheese by the Ontario Cheese Producers Marketing Board has disposed of excess stocks and strengthened cheese prices. A diversion of milk from condensaries to butter and skim milk powder which began in 1952 has corrected the situation as to excessive stocks of evaporated milk and condensaries are now interested in securing additional milk. Fluid milk and ice cream consumption is being well maintained. Total milk production is now running only 3 or 4 percent more than a year ago.

Butter stocks on November 1st of 91,600,000 pounds, held chiefly by the Government in connection with its 58 cents per pound guarantee, is 18 million pounds more than a year ago and 25 million pounds more than the average 1948-51 stocks on November 1st. Heavy inroads will be made into these stocks, however, during the winter months and by next May 1st it is probable that stocks will be reduced to 25 or 30 million pounds.

The sale and shipment of 10 million pounds of cheddar cheese to England has cleared the cheese market of any excessive stocks. Prices have advanced to 33 cents per pound for current production and some 5 million pounds of cheese acquired by the Government in 1952 are being disposed of rapidly by the Ontario Cheese Producers Marketing Board. The supply situation has changed to such a degree that it is stated cheese buyers are now concerned about securing sufficient supplies.

LIVESTOCK SITUATION IN ARGENTINA

Recent rains have much improved the pastures in Argentine cattle regions permitting a higher finish on steers before they are marketed. Although cattle marketings through the first 9 months of 1953 were about 20 percent below the 1952 level, some recovery is expected during the current month. Exports are likely to increase to the United Kingdom in fulfillment of the current contract.

Sheep receipts at central markets and packing houses during the third quarter were about 30 percent above the 1950-52 average for that period. As the 1953 mutton and lamb export quota has been filled, and as heavy marketings are continuing, lamb and mutton stocks may soon become burdensome.

Hog receipts during the January-September period of this year were almost equal to the average of the similar period of recent years and slaughter for the year may exceed 1952 by at least 15 percent.

INDONESIA'S COPRA EXPORTS DOWN IN NOVEMBER

Indonesian exports of copra during November totaled 21,639 long tons, a decrease of 25 percent from the previous month but almost double shipments during November 1952. Exports during January-November amounted to 218,115 tons against 266,930 tons in the comparable period of 1952.

The breakdown of the November 1953 copra exports by country of destination, is as follows: Western Germany--7,250; Sweden--6,500; the Netherlands--5,413; Poland--1,000; and Japan--1,476 tons.

Copra Foundation purchases during November amounted to 28,542 tons of which 22,637 tons originated in East Indonesia and 5,905 in West Borneo. Deliveries of copra to local oil mills were reported at 13,251 tons. The buying price in East Indonesia and West Borneo increased by 10 rupiahs as of November 12 to 145 rupiahs per 100 kilograms, including packing. This price is guaranteed until December 15.

COTTON CROP DAMAGED IN INDIA

The 1953-54 cotton crop in India suffered moderate damage from weather and insects in October and estimates of some private firms have been reduced by about 100,000 bales, according to a report from V. Krishnamurthy, American Consulate General, Bombay. Earlier private estimates of the crop have averaged about 3,650,000 bales (of 500 pounds gross) and some firms consider the damage as too light to justify reducing their estimates at this time. The damage was attributed to excessive rain and insect infestation in some areas and drought in others.

Imports of cotton into India during August-October 1953 totaled 114,000 bales compared with 129,000 for a comparable period a year ago. The only significant change in sources for imports was a drop in imports from the United States from 38,000 to 11,000 bales and an increase from the Anglo-Egyptian Sudan from 16,000 to 36,000 bales. Imports of 39,000 bales from British East Africa and 29,000 from Egypt during August-October 1953 were slightly less than last year's figures of 45,000 and 30,000 bales, respectively.

There are no available estimates of imports planned for 1953-54 but licenses are still outstanding (expire December 31, 1953) for more than 100,000 bales of United States cotton purchased in 1951-52. A further extension of the period of validity is expected by cotton importers. No appreciable increase in imports over last year's 560,000 bales (from all sources) may be expected because the increase in the 1953-54 crop over that of a year ago is about equal to the decline in carry-over between 1952 and 1953.

Mill consumption in 1952-53 reached a near-record level of 3,642,000 equivalent bales of 500 pounds. Consumption data are not available for more recent months but reductions in export taxes on goods and other changes in regulations affecting cotton goods production and trade are expected to keep mill operations at a high level in 1953-54.

Measures taken by the government on October 24 to stimulate mill operations include (1) a reduction of nearly 40 percent in the internal excise tax on superfine cloth (over 48s counts in the warp), and (2) the withdrawal of the export tax of 10 percent on medium cloth (warp counts between 18s and 34s). In addition, the government assumed powers to grant a draw-back on imported cotton used in the manufacture of goods which were subsequently exported. (The import duty on cotton is now 2 annas and 1-1/5 pies or 2.8 cents a pound.) Simultaneously, the government issued an ordinance making it obligatory on the part of industrial establishments to pay specified compensations to labor in the event of lay-offs or retrenchment.

These actions imparted a steadying influence to the textile markets and sales of cloth picked up substantially. Mill buying of cotton also revived.

Latest reports indicate that the crisis in the textile industry has almost passed. A complete change in the sentiment is reported from the principal textile markets. Textile prices have improved and mills which were planning partial closures have withdrawn their notices of closure.

Exports of cotton from India during August-October 1953 totaled only 11,000 bales, compared with 97,000 during a comparable period a year ago. An initial export quota of 143,000 bales (175,000 Indian size bales) was announced on September 28, 1953, for rough cotton from the 1953-54 crop not exceeding 11/16-inch in staple length. On October 6 it was announced that old-crop cotton was eligible for shipment under this quota. Also, it was announced that Assam/Comilla varieties from Calcutta and Cocanadas from Madras could be exported without restriction. Early in November the Textile Commissioner stated that no reduction may be expected in the export tax of 200 rupees a bale (10.74 cents a pound) now in effect for certain varieties. Other varieties subject to a tax of 125 rupees (6.71 cents) were not mentioned.

SYRIA REPORTS INCREASED COTTONSEED AND OLIVE OIL PRODUCTION

Syrian production of cottonseed oil and olive oil from the 1953 cotton and olive crops is expected to be considerably larger than production from the 1952 crops, reports E. R. Raymond, Agricultural Attache, American Embassy, Damascus.

Unofficial preliminary estimates place commercial cottonseed output at 110,000 short tons or 10 percent above the final estimate of 100,000 tons the previous year. Between 38,000 and 44,000 tons of seed will be used for oil and the balance for seed, export, and reserve stocks. Oil production is tentatively placed at about 5,000 tons compared with the final estimate of 3,850 tons from the 1952 crop.

Edible olive oil production is estimated unofficially at 6,600 tons and inedible oil at 660 tons against 5,500 and 1,100 tons, respectively, from the 1952 olive crop. (An earlier estimate was 8,000 tons for 1953. See Foreign Crops and Markets, December 14, 1953.) The 20 percent increase in edible oil is due to the further recovery of a large number of trees that were severely damaged by freezing weather early in 1950 and the favorable weather this year.

About 390 tons of cottonseed oil were exported in the period October 1, 1952 to September 30, 1953, principally to France, Lebanon, and Libya. Olive oil exports were negligible. In the same period, Syria imported about 1,500 tons of edible and 430 tons of inedible olive oil, principally from Jordan.

The trade reports that about 1,100 tons of cottonseed oil should be available for export during October-September 1953-54 as domestic consumption usually averages 3,850 tons. About 660 tons were exported to France during October and November this year and an additional 220 tons will be shipped during December to Algeria and Morocco.

As domestic requirements of edible olive oil are reported to be about 6,600 tons, it appears likely they can be met largely from local production, and imports in 1953-54 probably will be small. Domestic requirements of inedible olive oil are about 1,200 tons or some 500 tons more than would be available from local production. Imports, therefore, probably will be about 500 tons.

Stocks on September 30, 1953, were reported as follows: Cottonseed--5,500 tons; cottonseed oil 330; edible olive oil--220; inedible olive oil--55 tons.